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**Proposed Counsel for Debtor
and Debtor in Possession**

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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IN RE:

Chapter 11 Case No.

500 W 184 LLC,

Debtor.

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**DECLARATION OF FERDO SHKRELI
PURSUANT TO LOCAL BANKRUPTCY RULE 1007-2**

I, Ferdo Shkreli, pursuant to section 1746 of title 28, United States Code, hereby declare that the following is true and correct to the best of my knowledge, information and belief:

1. I am the managing agent for the above-captioned debtor and debtor in possession (the “Debtor”). I serve as a managing agent for several residential and commercial properties, and have substantial experience in the field.

2. I am personally knowledgeable and familiar with the Debtor’s business and financial affairs. The facts set forth in this Declaration are based upon my personal knowledge, my review of relevant documents, and information provided to me by the principal of the Debtor

and its professionals. If called upon to testify, I could testify competently to the facts set forth in this Declaration.

3. This Declaration is submitted pursuant to Rule 1007-2 of the Local Bankruptcy Rules for the Southern District of New York (the “Local Bankruptcy Rules”), to apprise the Court and other parties in interest of the circumstances that compelled the commencement of the Chapter 11 Case and in support of the Debtor’s Chapter 11 petition, filed contemporaneously herewith (the “Petition”). I am authorized to submit this Declaration as an authorized signatory and representative of the Debtor.

4. The Debtor’s principal asset is a mixed use residential and commercial property, located at 500 West 184th Street, New York, NY (the “Property”). Its principal place of business is at 875 East 219th Street, Bronx, NY 10467, the location of my business office. The Property is subject to a mortgage (the “Mortgage”) in favor of an entity known as Amsterdam Mixed Use LLC (the “Mortgagee”), which holds the Mortgage as an assignee of the original mortgagee. The principal amount set forth in the Mortgage and secured by the property is \$1.8 Million. The rate of accrual of interest on the principal is a matter of dispute between the Debtor and the Mortgagee. There is a foreclosure action pending, which was brought by the Mortgagee, in New York Supreme Court, New York County, under Index No. 850274/2019 (the “Foreclosure Action”)

5. The Debtor has entered into a Contract of Sale (the “Contract”) dated October 20, 2020, whereby it proposes to sell the Property to 2500 Amsterdam LLC, an entity owned and/or controlled by Yeshiva University (the “Purchaser”). The purchase price under the Contract is \$2.5 Million.

6. In light of the dispute between the Debtor and the Mortgage concerning the rate and amount of accrued interest on the Mortgage, it is the Debtor's intention to move promptly for Court approval of a sale of the Property to the Purchaser, under Bankruptcy Code §363 (b) and (f), free and clear of liens and other interests, with any such liens and interests to attach to the proceeds of sale. It is essential that this sale take place promptly, as the Contract is several months old, and the Purchaser has a limited time to keep its financing in place to consummate the sale.

7. Over the past year, the Property has been extensively marketed and a number of offers have been made, but none has come close to approaching the \$2.5 Million purchase price under the Contract. The reason for this is that Yeshiva University, the Debtor believes, has a compelling need for properties in the area of its main campus in Washington Heights. Moreover, given the current difficulties in both the commercial and residential real estate markets occasioned by the COVID Pandemic, and resultant "flight" from New York City, it is now likely, in the view of the Debtor's broker, that further marketing efforts would result only in even lower offers. The Debtor's only income comes from its one commercial tenant, and it receives no revenue from any other tenants.

8. As a result of the urgency of the sale, and utter lack of success, despite the Debtor's substantial efforts to resolve its dispute with the Mortgagee, which is determined, apparently, to press forward with the Foreclosure Action, the Debtor has concluded that the only rational option is a Chapter 11 filing, which will enable the sale to proceed, and the dispute over the proceeds to be resolved either by settlement, or by order of this Court.

9. The Debtor anticipates closing the proposed sale, and utilizing the proceeds to fund a liquidating Plan of Reorganization.

10. No Committee of Creditors exists with respect to this Debtor.

11. No previous case has been filed under the Bankruptcy Code, respecting the Debtor or the Property.

12. The names, addresses and contact information of the twenty largest unsecured creditors of the Debtor and the five largest secured creditors of the Debtor are on file as exhibits to the Petition.

13. A summary of the assets and liabilities of the Debtor are on file as exhibits to the Petition.

14. A foreclosure action is pending against the Property in the New York Supreme Court, New York County, under the caption Amsterdam Mixed Use LLC v. 500 W 184 LLC, et al, Index No. 850274/2019. Upon information and belief, no other legal actions are pending against the Debtor or the Property.

15. The Debtor has no payroll obligations, and expects no rental income for the next 30 days. Interest to the Mortgagee continues to accrue, but at a disputed rate.

Dated: New York, New York
March 1, 2021

/s/ _____
Ferdo Shkreli